

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NORTH CAROLINA  
NEW BERN DIVISION**

**IN RE:**

**HOBERT K. SANDERSON, JR. and  
DENISE C. SANDERSON,**

**Case No.: 17-05040-5-JNC  
Chapter 11**

**Debtors**

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**LIMITED OBJECTION TO DEBTORS' MOTION FOR PRIVATE SALE OF REAL  
PROPERTY FREE AND CLEAR OF LIENS AND INTERESTS**

Rabo Agrifinance LLC, successor to Rabo Agrifinance, Inc. ("Rabo"), through counsel, hereby files this limited objection ("Objection") to the above-captioned Debtors' ("Debtors") Motion for Private Sale of Real Property Free and Clear of Liens and Interests [D.E. #190] (the "Motion"). In support of this Objection Rabo shows the Court as follows:

1. The Debtors filed the Motion proposing to sell, pursuant to Section 363(f) of the Bankruptcy Code, certain real property in Jones County, NC (as described and defined therein, the "Property") free and clear of all liens, encumbrances, rights, interests, and claims of record thereon.

2. Rabo has a valid lien on the Property pursuant to a Deed of Trust, Assignment of Rents and Security Agreement executed and delivered by Debtors for the benefit of Rabo and recorded among the land records of Jones County, NC in Book 356 at Page 331.

3. The Motion states that the liens, claims and interests in the Property shall attach to the proceeds of the sale, in accordance with relative priorities, but requests that the sale order provide that the "proceeds of the sale be subject to the payment of such reasonable, necessary costs and expenses of preserving or disposing of such property to the extent of any benefit to the

holder of an allowed secured claim as provided for by Section 506(c), as may be allowed hereafter by the Court” (the “Costs and Expenses”).

4. The Motion does not provide further information on what such Costs and Expenses are expected to include.

5. Rabo, through counsel, reached out the Debtors’ counsel via email on April 26, 2018 to inquire as to the expected Costs and Expenses, but did not receive a response.

6. Rabo does not object to the sale of the Property proposed in the Motion, but does object to the proceeds being subject to the Costs and Expenses given the lack of information as to the nature, amounts, and recipients of the same.

7. Because Rabo has a valid lien on the Property, and the Motion proposes that Rabo’s lien should attach to the proceeds of the sale of the Property, Rabo asserts that it is entitled to more information about the Costs and Expenses that would diminish those proceeds.

8. Rabo further asserts that, as a valid lienholder whose rights are affected by the Motion, it should be entitled to review and approve a settlement statement detailing the nature, amount(s), and recipient(s) of the Costs and Expenses for the proposed sale of the Property prior to closing.

WHEREFORE, Rabo requests this Court order:

1. Debtors to provide more information with respect to the nature, amounts, and recipients of the Costs and Expenses for the proposed sale of the Property;

2. That, prior to the closing of the proposed sale of Property, Rabo shall be entitled to review a settlement statement detailing the nature, amounts, and recipients of the Costs and Expenses that will paid out of the proceeds, and that such closing of the sale of the Property shall be conditioned upon and subject to such review and approval.

This the 30<sup>th</sup> day of April, 2018

/s/ Constance L. Young

Constance L. Young, (N.C. State Bar No. 16115)

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*Attorney for RaboAgrifinance LLC*

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that copies of the foregoing ***LIMITED OBJECTION TO DEBTORS' MOTION FOR PRIVATE SALE OF REAL PROPERTY FREE AND CLEAR OF LIENS AND INTERESTS*** were served via the Court's CM/ECF system to all parties registered to receive such notices including:

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/s/ Constance L. Young  
Constance L. Young